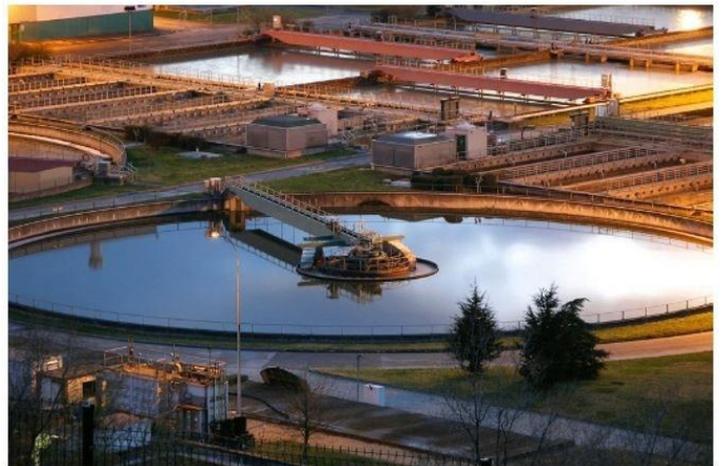


# The Gold Standard®



## The Gold Standard Water Benefit Standard

### Requirements (beta)

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## 1 Introduction

The Gold Standard Water Benefit Standard (WBS) takes a results based approach to the financing of water projects based on the benefits they generate. After substantial work undertaken by the public private Water Benefits Partnership initiated by the green investment and environmental consulting company, First Climate A.G., The Gold Standard Foundation has further developed and built a governance and rules framework through which pilot projects are being implemented. The framework provides a globally consistent mechanism defining best practice governance for water projects.

Gold Standard Water Benefit Certificates (WBCs) serve as a common currency for the scheme, each representing that a certain volume of water has been sustainably supplied, purified and/or conserved by a given project during a specific period of time. The purchase of these WBCs – by private companies, development agencies, philanthropic foundations and other interested investors - generates an annuity revenue stream that is then used to support the project activity. For the first time in the water sector, the WBS 'payment for performance' approach – which includes strong and regular independent monitoring, reporting and verification of project outcomes - will ensure that financial contributions to sustainable water development are achieving real and long-term positive impacts.

After a decade of experience certifying climate friendly projects, The Gold Standard Foundation has a strong conviction that this adaption of its carbon 'results based finance' model can generate specific water and broader environmental and development outcomes. At the same time, it is acknowledged that water is not carbon. Water is an essential resource for all life on earth. It engenders concepts of ownership; it has different values in different regions dependent upon use, quality and scarcity. It is a finite resource that must be shared not only between humans but also the environment that sustains humanity. It is a resource under increasing pressure from climate change and human population growth.

The Gold Standard Water Benefit Standard has been established with these concepts in mind, as have the pilot projects which cover a broad spectrum of water uses and geographic locations. The Gold Standard Secretariat, an external expert Technical Advisory Committee and broader stakeholder consultation have shaped the development of the Standard's technical Rules and Requirements. The objective of extensive stakeholder feedback and piloting is to inform the ongoing modification and improvement of future iterations of the Standard.

This Requirements document summarises The Water Benefit Standard's overarching principles, its general project accounting guidelines and its rules and procedures for registering projects and creating Water Benefit Certificates.

We would like to thank all stakeholders for their continuous feedback and support throughout this long development process. Our appreciations especially go to:



Schweizerische Eidgenossenschaft  
Confédération suisse  
Confederazione Svizzera  
Confederaziun svizra

**Swiss Agency for Development  
and Cooperation SDC**

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Germany, Jamie Pittock, Australian National University, Australia, Dean Thomson, World Vision, Australia

#### **Water Benefit Partners:**

Bayer, Nestlé, Munich RE, Borealis, Coop, Olam, Carlsberg Group, IUCN, Global Water Challenge, SGS, International Federation of Red Cross and Red Crescent Societies, Markit, Limno Tech, Bonneville Environmental Foundation, Quantis, Climate Care, World Vision Australia and World Vision Germany.

#### **Others:**

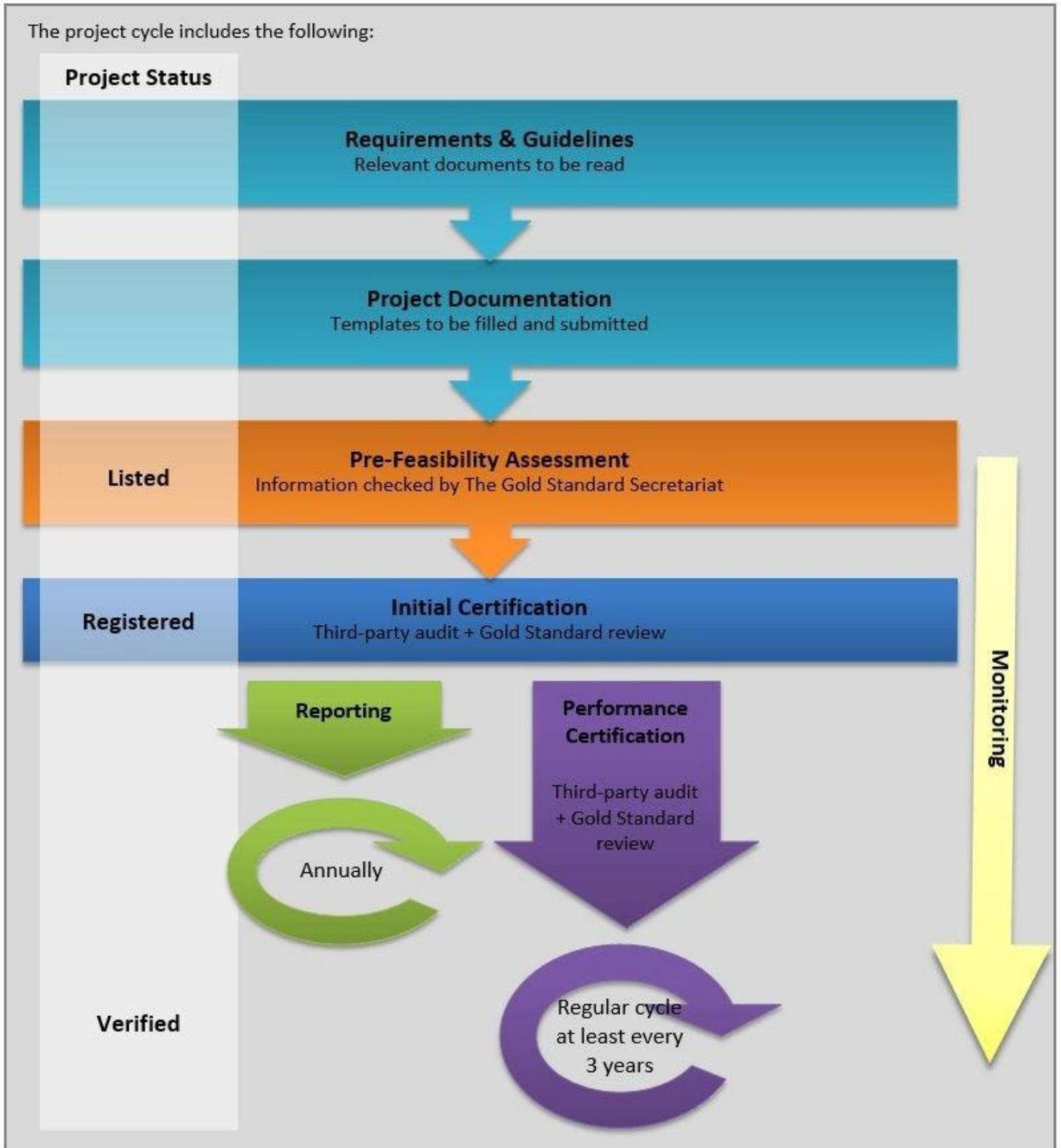
WWF Switzerland, WWF International, Alliance For Water Stewardship (AWS), European Water Partnership (EWP), Swiss Water Partnership, Aquasis, Tom Baumann, Collaborase, OneDrop, Rob Fowler, Essential Change, ClimateWorks, Matt Spannagle, DelAgua Health, Devon Wemyss.

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**Certification Cycle**

The following graph provides an overview of the different steps in The Gold Standard process along with the sequence of activities for project registration and the issuance of Water Benefit Certificates:



**Structure**

The Gold Standard 'WBS Requirements' are structured as follows:



## 2 Definitions

**Absolute Water Volume:** Refers to absolute volumes of water applied as a result of using a specific technology, technique or practice (e.g. absolute water withdrawal savings).

**Area of Influence:** The area in which the project, or group of projects, is likely to have an influence. This can often be well beyond the physical [project boundary](#) of the project and may include watersheds, sub-basins, basins, and the groundwater and surface waters that are present within them.

**Audit:** A process for assessing the compliance of project information with the requirements of the standard.

**Auditor:** The auditor conducts audit processes by assessing the compliance of project information with the requirements of the standard.

For 'WBC' project activities, The Gold Standard recognises auditors that meet given criteria. However, during the pilot phase of the scheme it is up to the auditors to contact The Gold Standard directly to determine if they qualify on a case-by-case basis. At least one member of every audit team shall have local experience in the host country.

**Baseline:** The beginning period of time at which an enterprise or activity will be monitored and against which progress can be assessed or comparisons made.<sup>1</sup>

**Catchment:** See Watershed.

**Component Project (CP):** Is a single measure, or a set of interrelated measures under a PoA applied within a designated area defined in the baseline methodology(ies). The lifespan of any single CP shall be either a 7year period that can be renewed twice, for a total of 21 years, or a one-off 10-year period. Water Benefit Certificates from CPs can only be claimed as long as the PoA is still valid.

**Coordinating/Managing Entity:** An entity authorised by all participants involved in a particular PoA and nominated as the entity that communicates with the secretariat, including on matters relating to the distribution of WBCs.

**Corrective Action Request (CAR):** With a CAR, the auditor or The Gold Standard Secretariat requests appropriate action be taken to show compliance with a requirement.

In order to achieve a successful certification, all CARs shall be formally closed.

CARs can be converted to FARs (see definition below).

**Certification period:** The certification period is the time span in which the Water Benefit Certificates can be accounted for and is subject to monitoring. The certification period shall be either a 7-year period that can be renewed twice, for a total of 21 years, or a one-off 10-year period. For Gold Standard registration, where a 7-year period is chosen and renewed, the baseline and assessment of sustainability indicators shall be renewed and re-certified after each 7-year period. The project owner selects the certification period based on the characteristics of the project.

The certification period starts with the commencement of physical activity of the project and may be up to 2 years prior to the date the project reaches the 'registration' status (see chapter '8 Certification Process').

**Customary rights:** Rights granted from customary (unwritten) law, which is considered to be established by consistent repetition of a given conduct by many members of the community and/or the conviction of the community, that such conduct corresponds to a 'legal rule'.<sup>2</sup>

**Environmental flow (or e-flow):** Describes the quantity, quality and timing of water flows required to sustain freshwater and estuarine ecosystems and the human livelihoods and well being that depend on these ecosystems.<sup>3</sup>

**Forward Action Request (FAR):** An auditor or The Gold Standard Secretariat requests appropriate action be taken in the project to become fully compliant with a requirement. FARs are not raised for issues that are linked to the eligibility of a project under the WBC scheme, such as a financial needs assessment.

A FAR will be issued where the impact of the infraction is:

- not material within the current certification, AND
- unusual or non-systematic, AND correctable in a
- specific timeframe of less than 1 year.

FARs can be closed by The Gold Standard Secretariat or an auditor.

**Gold Standard Registry:** The Gold Standard Registry is the operating system to administer project information and issue WBCs. It is where the transfer of WBCs from the project owner to a buyer takes place. It is operated by the company Markit under the guidance of The Gold Standard Secretariat.<sup>4</sup>

**Gold Standard Secretariat:** The staff of The Gold Standard Secretariat administer and maintain the quality of The Gold Standard including the execution of the Pre-Feasibility Assessments, answering clarification requests, and conducting project spot-checks.

**Gold Standard Technical Advisory Committee (TAC):** The TAC is an independent technical body of experts for The Gold Standard Foundation. It provides expert advice and strategic input into The Gold Standard requirements. See also: <http://www.goldstandard.org/about-us/governance>

**Important Water Related Areas (IWRAs):** The specific water-related areas of a watershed that, if impaired or lost, would adversely impact the environmental, social, cultural or economic benefits derived from the watershed in a significant or disproportionate manner. IWRAs are deemed "important" either by local stakeholders or by key stakeholders at regional or international levels. IWRAs include areas that are legally protected or under a conservation agreement; areas that have been identified by local or indigenous communities as having significance for cultural, spiritual, religious or recreational values; and areas that are recognised as providing important ecosystem services, such as riparian areas, vernal pools critical for breeding of important aquatic species, aquifer recharge zones, wetlands that provide purification services, etc. A High Conservation Value Area (HCVA) is one form of an IWRA.<sup>5</sup>

**Initial Certification:** Refers to the independent evaluation by an approved auditor that a project fulfils Gold Standard requirements and may register as a project. This occurs before the performance certification.

**Large Scale Project:** A project that issues more than 1.3 million WBCs annually.

**Medium Scale Project:** A project that issues between 40,000 and 1.3 million WBCs annually.

**Monitoring:** A continuing function that uses the systematic collection of data on specified indicators to provide indications of the extent to which outcomes are being achieved.<sup>6</sup>

**Non-Compliance (NC):** The term is defined in the chapter '10 Non-compliance'.

CARs and FARs are converted to NCs when they are not corrected or inadequately addressed by the project owner.

**Observation (OBS):** With an OBS, the auditor or The Gold Standard Secretariat provides an observation on possible future non-compliance with a requirement.

Unlike CARs and FARs, observations are warnings and do not need to be formally corrected. They are given special attention during the next certification.

**Performance Certification:** Refers to the periodic independent review and ex post determination by an auditor that the monitored water benefits have occurred as a result of the registered project.

**Pre-Feasibility Assessment:** The step in the certification process when The Gold Standard assesses whether a proposed project complies with the criteria of the standard and can potentially apply for registration under The Gold Standard Foundation.

**Physical water risk:** The costs imposed on an project due to a lack of water, or lack of water of adequate quality, at a given time and location.<sup>7</sup>

**Programme of Activities (PoAs):** A PoA is a group of similar project activities (component projects) that undergo a common validation of concept using a common baseline(s) and then can expand over the course of a PoA's lifetime with additional component projects. The certification period of the PoA as a whole is fixed, but the individual component project activities may have varying certification periods.

**Project:** A project is the implementation and management of one or more activities in an area of similar environmental and social characteristics.

**Project Boundary:** A representative spatial boundary defined as the area within which a physical activity takes place. Please refer to [Area of Influence](#) for impacts a project may have beyond its physical boundary.

**Project Owner:** The person or entity that holds or is applying for certification and therefore responsible for demonstrating compliance with the requirements upon which Gold Standard certification is based.

**Project Representatives:** Refers to the person or entity that will serve as the focal point for the project. This representative will have sole or joint authority to communicate with the Gold Standard Secretariat regarding all matters related to a project's certification, alteration or expansion.

**Project Participant:** Is any party or individual who is working closely with the project representative to carry out the project activities or who has provided written approval for a project. Project participants shall be collectively represented by the Project Representative.

**Project start:** The start date shall be considered to be the date on which the project participant has committed to expenditures related to the implementation or related to the construction of the project activity. This, for example, can be the date on which contracts have been signed for equipment or construction/operation services required for the project activity. Minor pre-project expenses, e.g. the contracting of services /payment of fees for feasibility studies or preliminary surveys, should not be considered in the determination of the start date as they do not necessarily indicate the commencement of implementation of the project. For those project activities which do not require construction or significant pre-project implementation (e.g. water filters) the start date is to be considered the date when real action occurs. In the context of the above definition, pre-project planning is not considered “real action”.<sup>8</sup>

**Project Design Document:** The Project Design Document (PDD) is the document required for Gold Standard registration under the Water Benefit Standard that describes the project in detail and how it meets the certification requirements.

Where required, project information shall be backed by supporting documents. These documents can be scientific reports, copies of contracts, meeting minutes, pictures, maps, etc. The PDD together with the supporting documents form the base of information for the certification process.

**Retroactive Project Certification:** Refers to the issuance of WBCs with respect to certified project activities that have taken place before the date of Gold Standard registration. Monitored activities shall be considered for retroactive certification for a maximum of two years prior to the registration of the project. Retroactive certificates can be claimed from one year following the commencement of the Standard on the 1st of January 2015.

**Small Scale Project:** A project that issues less than 40,000 WBCs annually.

**Stakeholders:** The stakeholders are persons, groups or entities that may be affected by the project and that show interest in the project.

The following are categories of stakeholders:

1. Local people impacted by the project or their representatives
2. Project beneficiaries
3. Local policy makers and representatives of local authorities
4. Local NGOs working on topics relevant to the project
5. The Gold Standard Regional Manager<sup>9</sup> located closest to the project
6. International Gold Standard NGO Supporters<sup>10</sup> and Gold Standard NGO Supporters<sup>11</sup> located in the host country of the project.
7. Other users of a water source and those discharging to a receiving water body in the area of influence
8. Commercial/ industrial water users in a watershed
9. Water utility companies

**Time of First Submission:** Is defined as the moment of submission of the required project documentation for a Pre-Feasibility Assessment and payment of the applicable fee.

**Verified Water Benefit Certificate (WBC):** Each WBC assures a specific volume of water has been sustainably supplied, purified and/or conserved by a project.

A Verified WBC represents actual supply, purification and/or conservation of 1 m<sup>3</sup>/year of water by a Gold Standard Water project activity based on the certification of the project's outcomes. When a verified WBC is issued and can be retired.

**Vintage:** Is the calendar year in which the actual supply, purification and/or conservation of water takes place. Project owners can choose the date and period of Performance Certification, however the certification report shall specify which certificates are of which vintage.

**Water abstraction (withdrawal):** Water removed from any sources, either permanently or temporarily. Mine water and drainage are included. Similar to water withdrawal.<sup>12</sup>

**Water balance:** The change in water supply in a site or a watershed determined by the difference between average intake, precipitation, evapotranspiration and surface water discharge at the main drainage point of the site or watershed.<sup>13</sup>

**Water Benefit Certificate (WBC):**

A unit of water outcome (or benefit) representing that a certain volume of water has been sustainably supplied, purified and/or conserved by a given project during a specific period of time. Projects are issued Water Benefit Certificates (WBCs) according to the volume of water benefits they generate per year. Every project, regardless of size or type, is treated the same with regard to the conversion of water volume to WBCs.

However, as a project grows, the amount of water needed to generate one WBC increases in any given year at a given rate of conversion. This is:

- For the first 40,000 m<sup>3</sup> of benefits per year, 1 WBC = 1 m<sup>3</sup>
- For additional benefits between 40,000 m<sup>3</sup> and 1,300,000 m<sup>3</sup> per year, 1 WBC = 10 m<sup>3</sup>
- Benefits beyond 1,300,000 m<sup>3</sup> per year are awarded with 1 WBC = 100 m<sup>3</sup>

The vintage of a WBC represents the actual timing for the corresponding water benefits.

The overall Water Benefits of a project will be represented in m<sup>3</sup>/year whilst the volume of the issued certificates will be dependent on the scale of the project as described above. This conversion is valid for all project types unless stipulated otherwise in the relevant methodology.

**Water consumption:** Represents water that was used by the operation but not returned to its proximate source. It involves evaporated water; transpired water; water that is incorporated into products, crops or waste; water consumed by man or livestock; or water otherwise removed from the local resource. Water that is polluted to an extent prohibiting its use by others wishing access is termed "consumption". Water consumption = water lost + water in products, crops or waste + water otherwise removed from the system (e.g., by heavy pollution). Also referred to as consumptive water use.<sup>14</sup> Water consumption is measured in m<sup>3</sup> per year for all WBS projects.

**Water efficiency:** The volume of produce, mass, monetary value, or other factor per unit of water applied using a specific technology, technique or practice.

**Water quality:** A term used to describe the chemical, physical and biological characteristics of water, usually with respect to its suitability for a particular purpose.<sup>15</sup>

**Water recycling:** The act of processing used water/ wastewater through another cycle before discharge to final treatment and/ or discharge to the environment. Also referred to as water reuse.<sup>16</sup> In general, there are three types of water recycling/ reuse:

- wastewater recycled back in the same process or higher use of recycled water in the process cycle
- wastewater recycled/ reused in a different process, but within the same site
- wastewater reused at another of the reporting organisation's facilities.

**Water risk:** The physical, regulatory and reputational water risks that an implementer faces through its reliance on water in the production of goods and services.<sup>17</sup>

**Water risk assessment:** A formal or informal evaluation that considers the physical, regulatory and reputational water risks that an implementer faces through its reliance on water in the production of goods and services.<sup>18</sup>

**Water stewardship:** The use of freshwater that is socially equitable, environmentally sustainable and economically beneficial, achieved through a stakeholder-inclusive process that involves site and watershed-based actions. Good water stewards understand their own water use, watershed context and shared risk in terms of water governance, water balance, water quality and important water related areas. The stewards then engage in meaningful individual and collective actions that benefit people and nature.

- Socially equitable water use recognises and implements the human right to water and sanitation and helps to ensure human well-being and equity.
- Environmentally sustainable water use maintains or improves biodiversity, ecological and hydrological processes at the watershed level.
- Economically beneficial water use contributes to long-term efficiency and development and poverty alleviation for water users, local communities and society at large.
- Water stewardship is intended to support and contribute to Integrated Water Resource Management by all actors.

**Water stress:** Occurs when the demand for water exceeds the available amount during a certain period or when poor quality restricts its use. Water stress causes deterioration of freshwater resources in terms of quantity (aquifer over-exploitation, dry rivers, etc.) and quality (eutrophication, organic matter pollution, saline intrusion, etc.).<sup>19</sup>

**Water use (used water):** The total amount of water withdrawn or diverted by an operation to produce products or provide a service. Water use includes the sum of total water consumption and water pollution regardless of whether the water is returned to the local resource or not.<sup>20</sup>

**Water withdrawal(s):** Refers to the removal of any form of water from the watershed, groundwater aquifer or adjacent sea water, including surface water (both fresh and salty), groundwater (vadose zone and fossil water), snow, ice and atmospheric water (precipitation, air moisture).<sup>21</sup>

**Watershed:** The area of land from which all surface runoff and subsurface waters flow through a sequence of streams, rivers, aquifers and lakes into the sea or another outlet at a single river mouth, estuary or delta; and the area of water downstream affected by the site's discharge. Watershed, as defined here, include associated groundwater areas and may include portions of water bodies (such as lakes or rivers) and may also be referred to as catchments, basins (or sub-basins).<sup>22</sup>

**Workers:** All employed persons including public employees, as well as 'self-employed' persons. This includes part-time and seasonal employees, of all ranks and categories, including labourers, administrators, supervisors, executives, contractor employees, as well as self-employed contractors and sub- contractors.

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 1 ISEAL Alliance (2010) Impacts Code.

2 Source: from The World Bank's Global Water Partnership Associate Program 'Groundwater Legislation & Regulatory Provision: from customary rules to integrated catchment planning' 2004

3 The Brisbane Declaration (2007): [http://www.eflownet.org/downloads/documents/WorldBank\\_EF2009.pdf](http://www.eflownet.org/downloads/documents/WorldBank_EF2009.pdf)

4 For the pilot phase of the Standard, the registry will be managed by Markit and assessed and certified by The Gold Standard. See <http://www.markit.com>

5 Water Stewardship Standard Beta Water Stewardship Initiative March 2013 6 ISEAL Alliance (adapted from GECD Glossary).

7 Adapted from Marc Levinson et al. (Watching water: A guide to evaluating corporate risks in a thirsty world' JP Morgan Global Equity Research March 31 2008.

8 Adapted from UNFCCC Executive Board of the Clean Development Mechanism Fort-First Meeting Report, 2008

9 Gold Standard Regional Managers: [www.goldstandard.org/Contact](http://www.goldstandard.org/Contact)

10 International Gold Standard NGO Supporters: [www.goldstandard.org/our-supporters/ngos](http://www.goldstandard.org/our-supporters/ngos)

11 Gold Standard NGO Supporters: [www.goldstandard.org/our-supporters/ngos](http://www.goldstandard.org/our-supporters/ngos) 12 European Water Partnership Draft Standard version 4.6 2010.

13 Adapted from Berezovskaya S. D. Yang and L. Hinzman 2005. Long-term annual water balance analysis of the Lena River. Global Planetary Change 48: 84-95.

14 European Water Partnership Draft Standard version 4.6, 2010 (from World Business Council on Sustainable Development).

15 US Geological Survey. <http://ga.water.usgs.gov/edu/dictionary.html>.

16 Global Reporting Initiative (version 3.0).

17 Adapted from Marc Levinson et al., (Watching water: A guide to evaluating corporate risks in a thirsty world,') JP Morgan Global Equity Research March 31 2008.

18 Water Stewardship Standard Beta Water Stewardship Initiative March 2013.

19 UNEP Freshwater in Europe Glossary.

20 European Water Partnership Draft Standard version 4.6} 2010.

21 Adapted from Water Stewardship Standard Draft. Water Stewardship Initiative June 2009.

22 Source: Adapted from Alliance for Water Stewardship Standard.

### 3 Getting Started

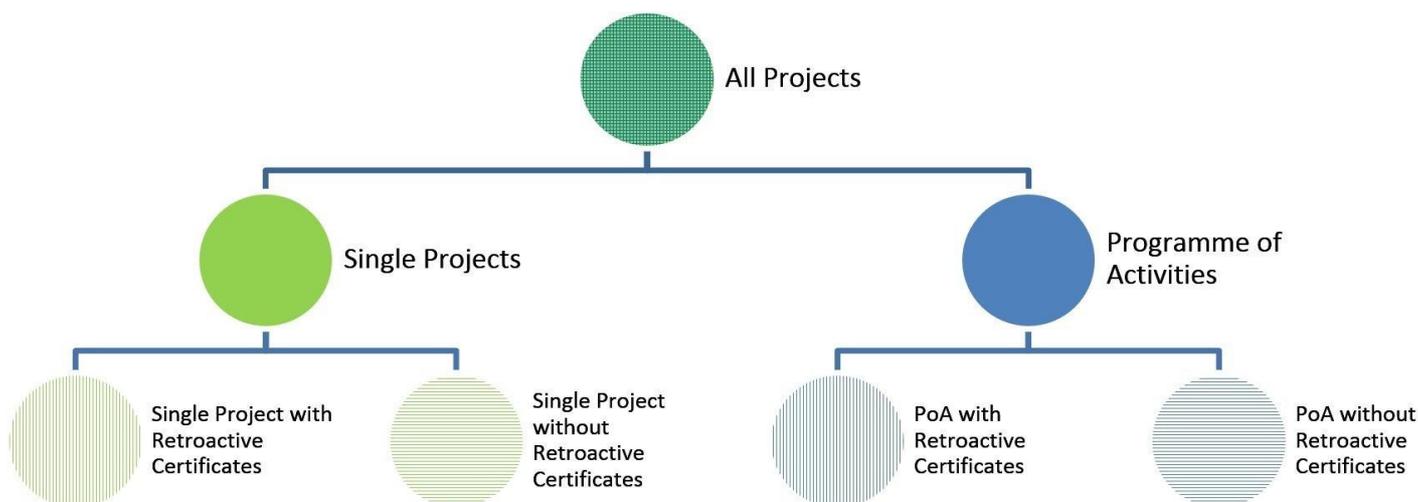
#### 3.1 Project Selection

Before beginning the project certification process, the Project Representative (PR) shall decide whether their project should be developed as a single project or as a programme of activities (PoA).

A single project can be comprised of any number of distinct interventions with a similar/ identical nature, for example, building one waste water treatment plant or distributing 100,000 water filters to households.

However, the geographical and technological scope of interventions is fixed for the entire certification period. Certifying interventions of a similar/ identical nature that are outside of this fixed scope would then require the submission of a new and separate single project.

A PoA describes a certification track that initially validates a framework programme or approach rather than a specific project. For example, this can be a programme to distribute water filters to households or promote hygiene. A PR can then add component projects (CPs) containing any number of distinct interventions in the field. At least one CP needs to be validated alongside the programme framework as proof of concept. CPs do not need to pass the full certification cycle as long as they are aligned with the programme framework.



The decision to pursue a single project or PoA will depend on project-specific characteristics, such as the growth outlook of the project and the cost effectiveness of developing one project type over another.

Two types of certification are possible under the WBS including:

1. regular project certification,
2. retroactive project certification and

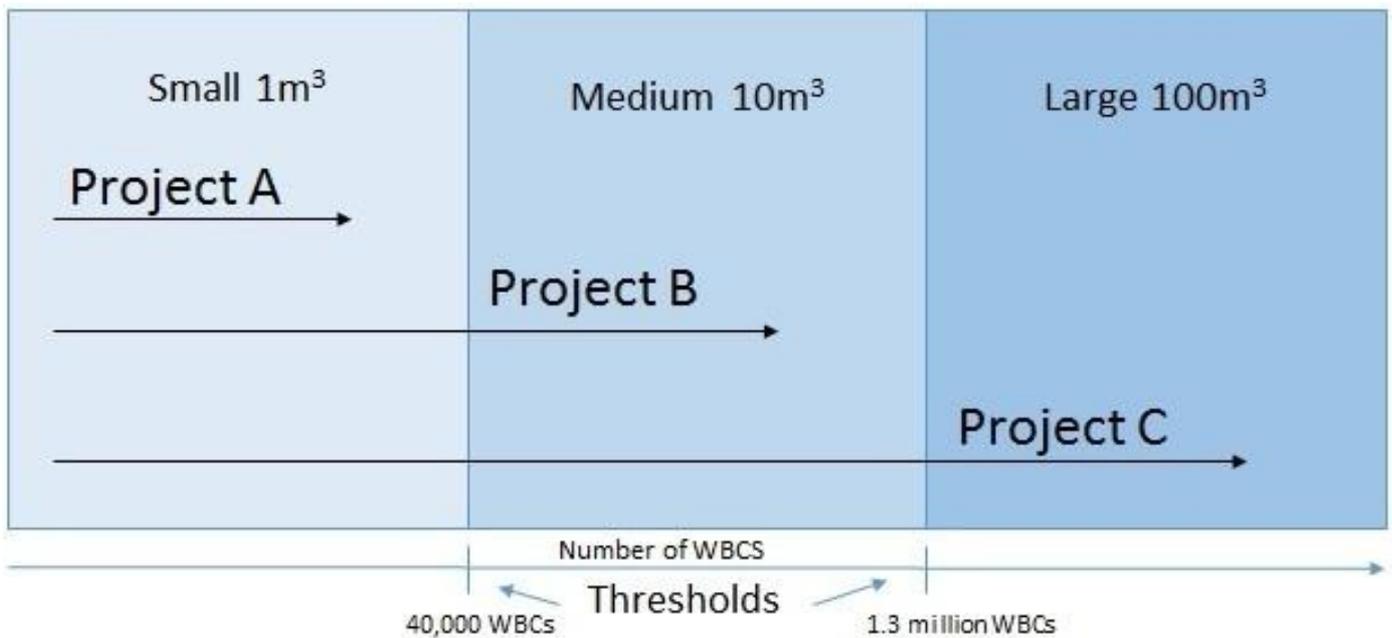
Retroactive certification allows accounting for benefits achieved before the date of registration, i.e. right from the start date of the project. However, the absolute certification period allowed remains unchanged, i.e. the certification period is effectively just shifted back in time. Projects that include retroactive certificates follow the same certification procedure as a regular project, however may require special scrutiny to determine a project’s financial need for the retroactive certificates.

All projects, including PoAs, can follow regular and/or retroactive project certification depending on the circumstances of the specific project under development.

### 3.2 Calculating WBCs

A WBC is a volumetric unit of account. The basic unit that holds across all projects is set as 1 WBC = 1 cubic meter of water supplied, purified or conserved. However, due to the wide spread of volumes between very small and very large projects, the Water Benefit Standard applies discount factors to project volumes that exceed certain thresholds in order to encourage economies of scale. The discount factors do not affect the cumulative water volumes supplied, purified or conserved up until the threshold, rather they only apply to additional volumes that exceed the thresholds as indicated:

- For volumes up to 40,000 m<sup>3</sup> per year, 1 m<sup>3</sup> is worth 1 WBC
- For additional volumes greater than 40,000 m<sup>3</sup> but less than 1,300,000 m<sup>3</sup> per year, 10 m<sup>3</sup> are worth 1 WBC
- For additional volumes greater than 1,300,000 m<sup>3</sup> per year, 100 m<sup>3</sup> are worth 1 WBC



These discount factors apply to all projects regardless of the project technology unless otherwise indicated in the relevant methodology. In the case of a PoA, the volumes considered apply to the total aggregated volumes generated under the roof of the PoA regardless of the size of each individual component project.

### 3.3 Project Eligibility

The Gold Standard WBS Requirements are for projects that include:

- Water supply,
- Water purification AND/OR
- Water conservation.

All projects must ensure they are aware of, and address the following issues within the watershed:

- Water balance.
- Water scarcity.
- Water sensitivity.
- Environmental integrity and sustainable development

All projects must use an approved methodology for quantifying the outcomes of the project.

See <http://www.goldstandard.org/water/methodologies> for a full list of approved methodologies.

### 3.4 Documentation

The [Project Design Document \(PDD\)](#) describes the project in detail and explains how it meets the Requirements. A project must prepare a Project Design Document as per the templates and guidelines provided by the Gold Standard. Where useful, claims in the PDD should be backed by supporting documents, e.g. scientific reports, copies of contracts, meeting minutes, pictures, maps, etc. The PDD together with the supporting documents form the base of information for the certification process. Guidelines provide more in-depth information and guidance than found in the Requirements Document.

## 4 Key Project Information

This section outlines the information that is required to provide a general overview of the project, to be included in the associated chapter '4 Key Project Information' of the PDD.

- (a) Project name.
- (b) Methodology being used.
- (c) Primary project activities.
- (d) Location(s) of the project area (GPS coordinates of major project features). It is essential that the description is accurate to avoid double counting of certificates. For Programme of Activity projects explain the reasoning behind the definition of the project location and coordinates carefully. It is encouraged that the projects are illustrated with coordinates on a map (e.g. [www.googlemaps.com](http://www.googlemaps.com)).
- (e) Project boundary and area of influence.
- (f) Name and size of watershed(s).
- (g) Hydrological features (major surface waters, aquifers, major uses of water, soils, sub-surface strata, vegetation etc.).
- (h) Organisations that are involved in the project (project participants).
- (i) Communities involved in the project.
- (j) Name of water service provider, water source and predicted annual volume (m<sup>3</sup>) used (where applicable).
- (k) Time frame for the project activities (duration and certification).
- (l) Number of (predicted) WBCs based on scale of project.

## 5 Baseline and Monitoring Methodology

Water benefits, under The Gold Standard, need to be real, measurable and verifiable. This can be assured by using an approved baseline and monitoring methodology. A baseline methodology estimates the water benefits that would have been created without implementation of the project. A monitoring methodology calculates the actual water benefits from the project, taking into account any water benefits from sources within the project boundary. Further to this, a monitoring methodology enables verification of the realised water benefits in a transparent way. Both are combined in one baseline and monitoring methodology, often referred to simply as the 'methodology'.

The selected baseline and monitoring methodology is key to the development of a project. When using an approved methodology the Gold Standard principles of conservativeness and transparency shall be followed.

The use of a Gold Standard approved methodology is mandatory. The latest version available at the time of the first submission should be used. If no methodology is available for a specific project type, the procedures for developing a new methodology under The Gold Standard are described in 'Guidelines for Methodology Development' (under development).

Due to the variety and complexity of project types and location, there is likely to be additional criteria supplied for baseline and monitoring assessment in the Methodology that is not present within the Requirements. These additional criteria shall be assessed and monitored as per Chapter 6 '[Sustainability](#)'.

## 6 Sustainability

This section '6. Sustainability' ensures that projects are designed and implemented in a sustainable and participatory way.

In the first 3 chapters, '[6.1 Watershed Risk Assessment](#)', '[6.2 Sustainability Assessment](#)' and '[6.3 Sustainability Monitoring Plan](#)', the socio-environmental minimum safeguards are set, as well as an examination of potential impacts and co-benefits compared to the business-as-usual scenario. Relevant sustainability indicators and safeguards that show risk of non-compliance are subject to continuous monitoring through '[6.2 Sustainability Assessment](#)'.

In the following two chapters, '[6.4 Local Stakeholder Consultation](#)' and '[6.5 Input and Grievance Mechanism](#)', the requirements describe how to build a continuous dialogue with stakeholders to ensure participatory implementation.

Lastly, chapter '[6.6 Legal Rights](#)' provides information to ensure that ownership and title for the WBCs and the project's implementation are transparent and enforceable.

## 6.1 Watershed Risk Assessment

The Watershed Risk Assessment assesses the risks that may be faced in implementing projects within a specific watershed or basin and determines whether additional monitoring may be required based on water scarcity, vulnerability, or areas and species of high environmental value. Each criteria is addressed with a 'yes' or 'no' response with justification provided as to why the response has been entered.

This information should be included in the associated chapter '6.1 Watershed Risk Assessment' of the PDD which covers the following questions and related requirements:

1. Is the project's physical area of influence (e.g. basin, watershed) in a water stressed or water scarce region?  
The project is required to provide verifiable evidence of water stress experienced in the basin in which the project is active, and demonstrate that consumption of water by the project will bring positive impacts or, at minimum, not increase the overall annual basin stress.
2. If the project is involved in abstraction from a water source in a water scarce area, is it returning more than 80%<sup>23</sup> of the abstraction to the catchment with the same or improved quality of water?  
Where more rigorous assessment tools are unavailable, the project is required to demonstrate 80% return flow.
3. Will the project exacerbate and therefore contribute to any negative impacts to the natural pattern of the watershed(s) such as high seasonal flow variability, flooding potential, lack of aquatic connectivity, drought, or climate change?  
The risk of the project negatively impacting the catchment shall be assessed and addressed to ensure its ongoing, long-term viability and impact on surrounding social-economic and environmental assets.
4. Is the project's area of influence susceptible to erosion and/or water body instability?  
If yes, the risk of the project negatively impacting the catchment and risks impacting project success shall be assessed and addressed to ensure its ongoing, long-term viability and impact on surrounding social-economic and environmental assets through an assessment of the sensitivity of physical area of influence due to low percentage of impervious cover in a project's physical area of influence (e.g. basin, catchment), susceptibility to erosion and water body instability, and lack of terrestrial habitat connectivity.
5. Does the project area and its 25 km radius contain largely intact or High Conservation Value (HCV) ecosystems, landscapes, key biodiversity areas, or sites, e.g. Ramsar wetlands, World Heritage Areas, 'wilderness' areas, free-flowing rivers, unique or species-rich areas, threatened or endangered species, migratory species as defined by treaties and national authorities or areas of natural cultural significance?  
If yes, the risk of the project negatively impacting the catchment and risks impacting project success shall be assessed and addressed to ensure its ongoing, long-term viability and impact on surrounding HCV and ecological assets.

6. Is the project's area of influence likely to undergo significant socio-economic or environmental change during the issuance period?

If yes, the risk of the project negatively impacting the catchment and risks impacting project success shall be assessed and addressed to ensure its ongoing, long-term viability and impact on surrounding social-economic and environmental assets.

7. Is the project's area of influence likely to impact environmental water flows required to sustain freshwater and estuarine ecosystems and the human livelihoods and well-being that depend on these ecosystems?

The project is required to ensure that daily flow variations (including the projects' existing impacts) are less than 20%.

- Where there is a 'yes' response the risk shall be neutralised. The PR may also demonstrate that the project has a positive impact on risk within the watershed or show continual improvement of risk mitigation (enhanced) over the life of the project.
- All 'yes' responses and positive and enhanced impacts shall monitor the risks under the '[6.3 Sustainability Monitoring Plan](#)' of the PDD and demonstrate the impact of mitigation measures. Monitoring shall commence with the start of the crediting period.

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23. Richter, B. D., Davis, M. M., Apse, C., & Konrad, C. (2012). A PRESUMPTIVE STANDARD FOR ENVIRONMENTAL FLOW PROTECTION. *River Research and Applications*, 28(8), 1312-1321. doi: 10.1002/rra.1511.

## 6.2 Sustainability Assessment

The Sustainability Assessment incorporates two objectives: to assess the risk the projects may pose to the project's area of influence and to ensure the projects meet the sustainable development requirements of the Gold Standard. Projects shall provide clear evidence that there are no negative impacts in set socio-economic and environmental criteria and at the same time demonstrate clear benefits in terms of sustainable development. Project boundaries for the detailed impact assessment may differ from project boundaries defined in the applicable baseline and monitoring methodologies, as very often the impacts on sustainable development can be considered with a wider perspective, such as at a watershed or basin scale.

The Sustainability Assessment considers five criteria: human rights and socio-economic situation; working conditions; food security; water quality; other pollutants. Each of the five categories has its own indicators, which are listed below and in the PDD template. The project shall be scored against each of the indicators based on the impact the project may have on that indicator.

The scoring is qualitative, with five options for each indicator:

Each requirement is assessed according to the following criteria.

- **Negative (-):** There is a risk that the project will negatively impact the requirement. Mitigation is required and will be monitored for the duration of the project.
- **Neutral (0):** The project will not have any impact on the requirement. Mitigation is not required.
- **Positive (+):** The project will positively impact the requirement and will be monitored for the duration of the project.
- **Enhance (E):** The indicator is neutral, but can be improved over the lifetime of the project and become positive. Requires monitoring for the duration of the project.
- **Not Relevant (NR):** The requirement is not relevant to the project methodology and/or design. Mitigation is not required.

Projects are required to score Positive or Enhance against at least six of the socio-economic indicators (categories 1-3) and at least six of the environmental indicators (categories 4-5).

A justification paragraph and reference source is required for each indicator, regardless of score. References can be an academic or non-academic source, such as a university research document, a feasibility study report, environmental impact assessment, relevant website, etc.

Monitoring begins following the initial certification.

This information should be included in the associated chapter '[6.2 Sustainability Assessment](#)' of the PDD which covers the following points:

## 1. Human rights and socio-economic situation

- 1.1. The project respects internationally proclaimed human rights including universal access to water, dignity, cultural property and uniqueness of indigenous people. The project is not complicit in Human Rights abuses.
- 1.2. Legal rights, customary rights, special cultural, ecological, economic, religious or spiritual significance of indigenous peoples and local communities are ensured by the project.

## 2. Working conditions

- 2.1. Workers shall be able to establish and join labour organisations.
- 2.2. Working agreements with all individual workers shall be implemented.
- 2.3. The project will uphold the ILO Fundamental Conventions.
- 2.4. Workers shall be informed in a workshop about their rights according to the 8 *ILO Fundamental Conventions*.
- 2.5. There shall be no *child labour*. Excepted are children for work on their families' property as long as:
  - (a) their compulsory schooling (minimum of 6 schooling years) is not hindered, AND
  - (b) the tasks they perform do not harm their physical and mental development.
- 2.6. Workers below the age of 18 year shall not work during night hours.
- 2.7. Workers shall:
  - (a) be compensated for their overtime, AND
  - (b) not work in excess of 48 hours per week on a regular basis, AND
  - (c) have an annual leave of at least 10 days per year, not including sick and casual leave.
- 2.8. A health insurance scheme for workers is provided.
- 2.9. The following forms of discrimination shall not be tolerated:
  - (a) gender, race, religion, sexual orientation or any other basis, OR
  - (b) physical and mental punishment and coercion, OR
  - (c) sexual harassment.
- 2.10 The project owner should not be involved in corruption and shall comply with anti-corruption legislation where this exists.

- 2.11 The project owner shall publicise a commitment not to offer or receive bribes in money or any other form of corruption.
- 2.12 For workers there shall be:
- (a) provisions for first aid, AND
  - (b) provisions for the safe transport of workers, AND
  - (c) provisions for timely evacuation of workers to an adequately equipped medical facility in case of serious accident, AND
  - (d) provisions for the safe transport, storage, handling and application of fertilisers and pesticides regarding human health and the environment, AND
  - (e) if workers stay in camps for a longer period of time, measures shall be provided to ensure that conditions for accommodation and nutrition comply at least with those specified in the ILO Codes of Practice.
- 2.13 Workers shall have job-specific training to safely implement the project activities.
- 2.14 Workers shall appoint an individual to have overall responsibility for 'Health & Safety' at the worksite. This individual shall have demonstrated expertise, skills or experience in medical treatment.
- 2.15 Workers shall have safe protective equipment, tools and machinery appropriate for their work. *Hazardous work* shall not be carried out by people that have:
- (a) mental handicaps, AND
  - (b) chronic, hepatic or renal diseases (work with heavy machinery excepted), AND
  - (c) respiratory diseases, AND
  - (d) are between 15 and 18 years old, AND
  - (e) pregnant or nursing women
- 2.16 Workers handling pesticides, fertilisers or other harmful substances to human health on a regular basis are examined by a doctor once per year.

### 3. Food security

- 3.1. Food security and human health of *local community* surrounding the area of influence shall not be negatively affected by the project.

### 4. Water quality

- 4.1. All potentially polluting substances, relevant to the water system of the area of influence, are identified.
- 4.2. All discharge points relevant to the project are known with respect to location, environmental sensitivity, and socio-economic importance.

## 5. Other Pollutants

- 5.1. All sources of waste and *waste products* shall be identified and classified. *Waste products* include amongst others:
- (a) chemical wastes, AND
  - (b) containers, AND
  - (c) fuels and oils, AND
  - (d) human waste, AND
  - (e) rubbish (including metals, plastics, organic and paper products), AND
  - (f) abandoned buildings, machinery or equipment.
- 5.2. Fertilisers shall be avoided, or their use shall be minimised and justified.
- 5.3. Chemical pesticides shall be avoided, or their use shall be minimised.
- 5.4. *Biological control agents* shall be avoided, or their use shall be minimised and justified.
- 5.5. The project shall not impact negatively on indoor or outdoor air quality.
- 5.6. All greenhouse gas emissions shall be documented and identified.

### 6.3 Sustainability Monitoring Plan

This chapter provides the requirements for developing the Sustainability Monitoring Plan. Projects shall monitor the risks and impacts on sustainability to verify that they do indeed contribute to sustainable development.

This information should be included in the associated chapter ‘[6.3 Sustainability Monitoring Plan](#)’ of the PDD using the table format.

The following parameters will be monitored as stated.

1. All indicators other than those which score a "Not Relevant" shall be monitored during the life of the project(s). Monitoring shall commence at the start of the crediting period.
2. All mitigation measures identified in the Sustainability Assessment shall be monitored.
3. All measures put in place to address stakeholder concerns shall be monitored.

The table format for the Sustainability Monitoring Plan is provided below. A separate table should be prepared in the PDD for each of the parameters to be monitored.

Sustainability Monitoring ID		
Indicator for		
Mitigation measure		
Chosen parameter		
Current situation of parameter		
Estimation of baseline situation of parameter		
Target for parameter		
Monitoring	How will it be monitored and documented?	

	Who is responsible for monitoring and documentation?	
	When will it be monitored (duration and frequency)?	

#### 6.4 Local Stakeholder Consultation

The requirements for the Local Stakeholder Consultation (LSC) ensure that stakeholders are actively involved in the project from the beginning, thus enabling them to influence the project design and implementation. Consultation shall be finalised before the project is submitted for Initial Certification.

This participatory process empowers stakeholders to define the mitigation measures that safeguard the social, economic and environmental success of the project.

Using the numbered steps below, this information should be included in the associated chapter '6.4 Local Stakeholder Consultation' of the PDD.

- 1 The LSC shall be conducted in accordance with '[WBS Guidelines - LSC](#)'.

#### Invitation of Stakeholders

- 2 The project owner shall proactively invite The Gold Standard Secretariat and the stakeholders, including all Gold Standard NGO Supporters<sup>24</sup> active in the host country of the project, to provide comments on the proposed project in accordance with the guidelines provided in '[WBS Guidelines - LSC](#)'.

#### Timeline

- 3 The LSC should be conducted prior to the project start date. If the LSC is conducted after the project start date, the project owner shall provide further explanation of how comments received during the LSC are taken into account in the project.

#### Public consultation meeting

- 4 The LSC shall include at least one public in-person meeting, which shall be open to anyone willing to attend and which shall be conducted in accordance with the guidelines provided in '[WBS Guidelines - LSC](#)'.

#### Input & Grievance Mechanism

- 5 Projects shall have a formal input and grievance mechanism in place in accordance with the chapter '[6.5 Input & Grievance Mechanism](#)'. This mechanism shall be described during the LSC.

#### Documentation

- 6 The LSC documentation shall be prepared using the '[LSC template section](#)' in the PDD and in accordance with the guidelines provided in '[WBS Guidelines - LSC](#)'. The documentation shall include the

outcome from the physical meeting(s) and feedback received via other means, and it shall be submitted for the Pre-Feasibility Assessment.

### Confidentiality

7 The LSC documentation shall be made publicly available on The Gold Standard Registry once the project is 'listed'. Prior to being 'listed', only The Gold Standard Secretariat and Technical Advisory Committee shall be able to access the documentation.

### 6.5 Input & Grievance Mechanism

The 'Input & Grievance Mechanism' provides a transparent and continuous communication channel with stakeholders and is used in addition to the LSC. It ensures that issues that arise during the lifetime of a project are properly addressed.

This information should be included in the associated chapter '6.5 Input & Grievance Mechanism' of the PDD.

The project owner shall establish an 'Input & Grievance Mechanism' in accordance with the 'WBS Guidelines Input & Grievance Mechanism'.

## 6.6 Legal Rights

This chapter outlines the requirements to ensure that legal ownership and title for the WBCs and the project's implementation are transparent and enforceable. Using the numbered steps below, this information should be included in the associated chapter '6.6 Legal Rights' of the PDD.

### Project participants

1. For all project participants, the following information shall be provided:
  - (a) name and contact details,
  - (b) in case of an organisation the legal registration number and documentation by the governing jurisdiction that proves that the entity is in good standing, AND
  - (c) any other information The Gold Standard may from time to time deem necessary to ascertain information about a project participant.

### Secured Titles

2. Except as otherwise stated in the applicable methodology, for the duration of the certification period, the project owner shall:
  - (a) own the water user rights for the area within the project's boundary,
  - (b) hold an uncontested legal land title for the project area within the project's boundary,
  - (c) hold all necessary permits to implement the project, AND (d) participate in the financing of the project.

In the event the project owner does not meet all of these requirements, then the persons or legal entities that do meet one or more of these legal requirements shall provide evidence of support, endorsement or assignment of the legal right at issue through an agreement with the project owner for a term that covers the certification period. (This is especially relevant for grouped projects where communities or smallholders are involved.)

### Project Representatives

3. The project owner shall define the roles of all project participants with respect to:
  - (a) authority to instruct The Gold Standard Secretariat with regard to technical matters, legal ownership and credit issuance,
  - (b) requesting or communicating the addition or edits of project participants, AND
  - (c) receiving and communicating all information from The Gold Standard Secretariat for all matters related to the project.

### Terms & Conditions and Cover Letter

4. The project owner shall sign The '[Gold Standard Terms & Conditions](#)' and the declarations of the '[Cover Letter](#)

## 7 Financial Needs Assessment

The requirements in this section ensure that projects can demonstrate that they would not have been implemented without the benefits of WBC revenues. In other words, the project shall be beyond business-as-usual. This assessment is a central element of the project certification.

The Financial Needs Assessment is based on the concept of additionality which is notional measurement of an intervention.

The document '[WBS Guidelines – Financial Needs Assessment](#)' provides further guidance, clarification and examples.

This assessment should be included in the associated chapter '[7 Financial Needs Assessment](#)' of the PDD.

The PR shall select between Track 1 or 2 to demonstrate financial need.

### Track 1 – Positive List

1. Projects that qualify for the positive list pass the financial needs assessment automatically. The positive list is given in '[WBS Guidelines – Financial Needs Assessment](#)'. This list is continuously updated, and suggestions for new criteria may be submitted to The Gold Standard Secretariat along with supporting justification.

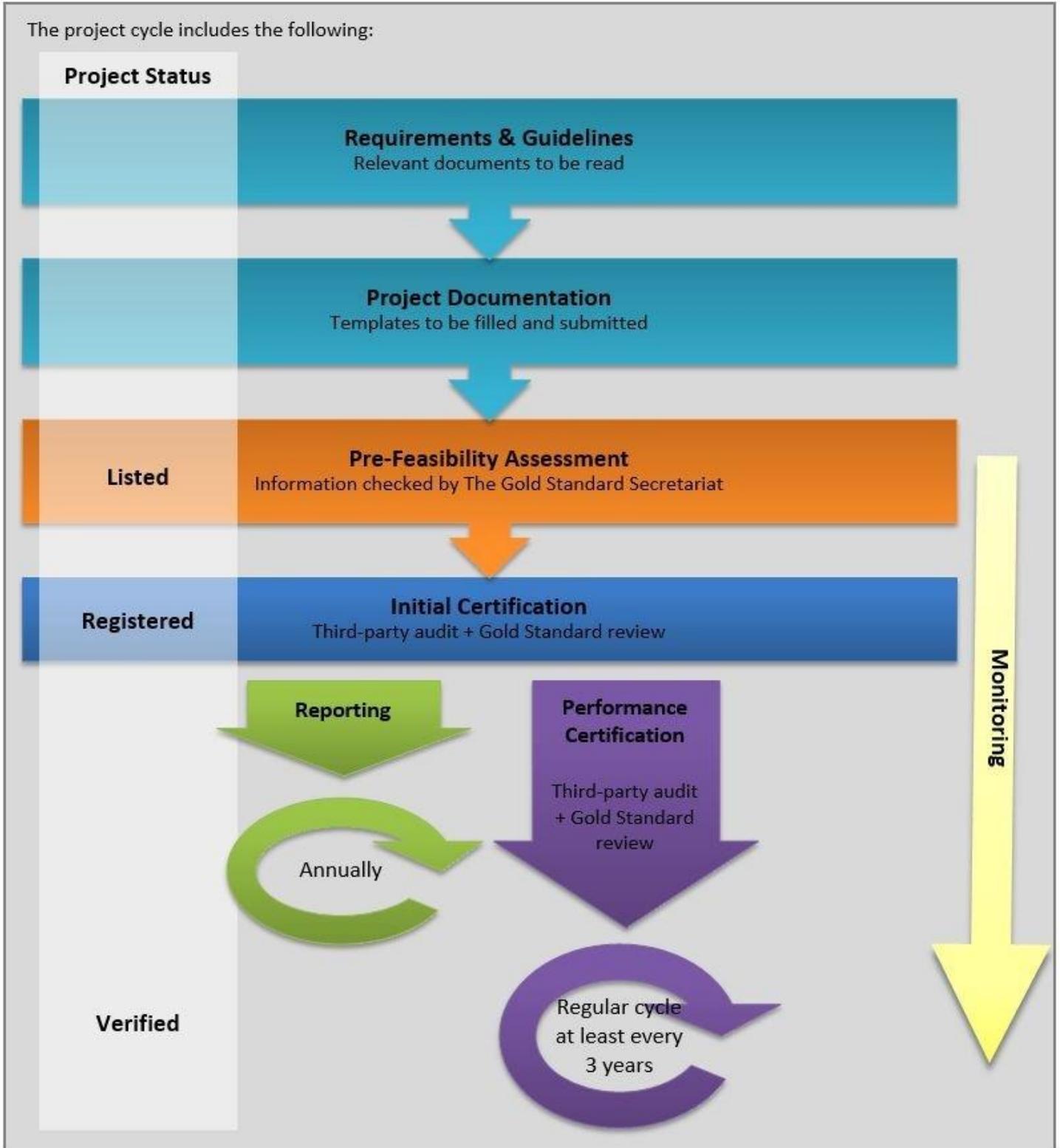
Projects that do not qualify shall select Track 2 for a detailed assessment.

### Track 2 – Financial Needs Assessment

2. Financial need shall be established in accordance with the '[WBS Guidelines – Financial Needs Assessment](#)'.

## 8 Certification Process

This chapter explains the steps that a single project shall follow to be issued with Water Benefit Certificates, including certification and reporting requirements. For detailed guidance on certifying PoAs where this differs from a single project, see Guidance on PoAs.



## 8.1 Requirements and Methodologies

1. The PR shall read the 'WBS Requirements' and 'WBS Guidelines', and select an applicable baseline and monitoring methodology. If a methodology is not applicable, a new methodology will need to be developed.

## 8.2 Project Documentation

2. The project owner shall prepare the necessary project documentation, including a Project Design Document and any supporting documents.

## 8.3 Pre Feasibility Assessment

3. Upon completion of the project documentation the project shall be submitted to The Gold Standard Secretariat for a Pre-Feasibility Assessment, which is conducted only once at the beginning of the project. During the Pre-Feasibility Assessment The Gold Standard Secretariat checks the project information through a desk review. It assesses whether the project is likely to comply with the requirements.

4. The Pre-Feasibility Assessment starts when the project owner has:

- (a) signed and submitted the template 'Cover Letter' and 'General Terms and Conditions', AND
- (b) submitted the draft PDD and supporting documents through The Gold Standard Registry, AND
- (c) paid the fee 25 for the Pre-Feasibility Assessment.

5. The outcome of the Pre-Feasibility Assessment is a Pre-feasibility Report that shall be checked by the auditor during Initial Certification. This can be either:

- (a) a successful Pre-Feasibility Assessment report without any CARs, FARs or OBSs, OR
- (b) a successful Pre-Feasibility Assessment report with CARs, FARs or OBSs, OR
- (c) an unsuccessful Pre-Feasibility Assessment report with at least one NC.

6. With a successful Pre-Feasibility Assessment report the project will obtain 'listed' status in The Gold Standard Registry/Markit. This means that:

- (a) the project information is made publicly available, AND
- (b) the project owner can promote the project according the '[WBS Guidelines - Brand and Communications](#)'.

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25 Yet to be determined

#### 8.4 Initial Certification

7. Initial Certification follows the Pre-Feasibility Assessment. The Initial Certification shall be completed, at the latest, three years after the Pre-Feasibility Assessment is completed.
8. Initial Certification is the process of determining whether the project is eligible to be registered as a Gold Standard WBC project by confirming that the project meets the requirements of the WBS. In addition, the Initial Certification may also include an ex post determination of monitored water benefits that have occurred as a result of the registered project.
9. The Initial Certification includes an audit by an accredited auditor together with a Gold Standard review.
10. The Initial Certification starts when the project owner has:
  - (a) contracted an accredited auditor, AND
  - (b) submitted the revised PDD (revised based on outcome of Pre-feasibility Assessment) and supporting documents through The Gold Standard Registry, AND
  - (c) submitted the Monitoring Report (if the project has already generated water benefits) through The Gold Standard Registry.
11. The audit is the assessment by the auditor to confirm the project's compliance with the requirements. It shall include, but is not limited to:
  - (a) Audit planning, AND
  - (b) Desk review, AND
  - (c) Field visit (field observations and interviews with workers and stakeholders), AND
  - (d) Reporting.
12. The desk review shall take into account:
  - (a) the submitted project information (revised PDD and supporting documents), AND
  - (b) the Pre-feasibility Report, AND
  - (c) the Monitoring Report, if the project has already started generating water benefits, AND
  - (d) previous audit reports for the project.
13. Once an audit is completed, the auditor provides a written Initial Certification report to The Gold Standard Secretariat. This report shall:
  - (a) give an overview of the audit (including the quantity of validated and verified Water Benefit Certificates, if any)
  - (b) describe the qualifications and experience of the audit team

- (c) give an overview on the history of the document
- (d) describe the objectives and scope of the report
- (e) describe the level of assurance and materiality levels for the estimation of WBCs
- (f) describe the methodology applied
- (g) provide a summary of the assessment from the audit process
- (h) provide an audit conclusion and opinion
- (i) list the individual requirements of the assessment, including its Corrective Action Requests (CARs), Forward Action Requests (FARs), Observations (OBSs), and Non-Conformities (NCs).

14. The Initial Certification report undergoes a Gold Standard review. During the review period The Gold Standard Secretariat, Gold Standard NGO Supporters and the Technical Advisory Committee may open new CARs or FARs on the project and the successful audit report.

If any new CARs or FARs are opened, these shall be addressed by either the project owner or the auditor. The Gold Standard Secretariat will document this in a review report.

15. The Gold Standard review period ends

- (a) after 8 weeks for the Initial Certification, AND
- (b) when no more CARs are pending.

16. When the Gold Standard review period has ended, the project will obtain 'registered' (and possibly also 'verified' status). This means that:

- (a) the updated final PDD, the Monitoring Report (if available) and the Initial Certification report is made publicly available, AND
- (b) the project owner can promote the project according the '[WBS Guidelines - Brand and Communications](#)'.

## 8.5 Performance Certification

Performance Certification follows the Initial Certification. Performance Certification shall occur at least every three years until the end of the certification period.

17. For large-scale projects, the auditor for Performance Certification shall be different than for Initial Certification.

18. Performance Certification involves the process of periodic independent review and ex post determination of monitored water benefits and sustainability outcomes that have occurred as a result of the registered Gold Standard WBS project.

19. The Performance Certification includes an audit by an accredited auditor together with a Gold Standard review.
20. The Performance Certification starts when the project owner has
- (a) contracted an accredited auditor, AND
  - (b) submitted the Monitoring Report through The Gold Standard Registry.
21. The audit is the assessment by the auditor to confirm the project's compliance with the requirements for ex post determination of monitored water benefits and sustainability outcomes that have occurred as a result of the registered project. It shall include, but is not limited to:
- (a) Audit planning, AND
  - (b) Desk review, AND
  - (c) Field visit (field observations and interviews with workers and stakeholders), AND
  - (d) Reporting.
22. The desk review shall take into account:
- (a) the project documentation (final registered PDD and supporting documents), AND
  - (b) the Initial Certification Report, AND
  - (c) previous Performance Certification Reports, AND
  - (d) the Monitoring Report(s), AND
  - (e) previous audit reports for the project.
23. Once an audit is completed, the auditor provides a written Performance Certification report to The Gold Standard Secretariat. This report shall
- (a) give an overview of the audit (including the quantity of verified Water Benefit Certificates, if any)
  - (b) describe the competency of the audit team
  - (c) give an overview on the history of the document
  - (d) describe the objectives and scope of the report
  - (e) describe the level of assurance and materiality levels for the estimation of WBCs
  - (f) describe the methodology applied
  - (g) provide a summary of the assessment from the audit process
  - (h) provide an audit conclusion and opinion
  - (i) list the individual requirements of the assessment, including its CARs, FARs, OBSs, and NCs.
24. The Performance Certification report undergoes a Gold Standard review. During the review period The Gold Standard Secretariat, Gold Standard NGO Supporters and the Technical Advisory Committee may open new CARs or FARs on the project and the successful audit report.

If any new CARs or FARs are opened, these shall be addressed by either the project owner or the auditor. The Gold Standard Secretariat will document this in a review report.

25. The Gold Standard review period ends

- (a) after 3 weeks for the Performance Certification, AND
- (b) when no more CARs are pending.

26. When The Gold Standard review period has ended, the project will obtain 'verified' status (if it has not done so already). This means that:

- (a) the Monitoring Report and Performance Certification report is made publicly available, AND
- (b) the project owner can promote the project according the 'WBS Guidelines - Brand and Communications'.

## **8.6 Issuance**

28. After The Gold Standard review period, the verified WBCs are issued upon payment of the fee into the project owner's Gold Standard Registry<sup>26</sup> account.

29. The issuance of retroactive WBCs shall not exceed 2 years from the date of project registration.

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**26. For the pilot phase of the standard, the Markit registry will be used**

## 8.7 Reporting

Through the 'Reporting' requirements, transparent and frequent updates on the project's performance and compliance are ensured, in addition to the information provided by the certifications.

1. Reporting shall take place on an annual basis, after the Initial Certification was completed.
2. For the reporting, the project owner shall use the template '[Annual Report](#)' and
  - (a) upload it through The Gold Standard Registry, AND
  - (b) send it to stakeholders that show interest in the project.
3. The 'Annual Report' shall focus on information since the last 'Annual Report'. It shall include:
  - (a) a summary of the recent projects activities,
  - (b) a clear statement on how stakeholders can provide inputs/grievances,
  - (c) a list of inputs/grievances which have been received together with their respective answers/actions

The following documents shall be submitted together with the 'Annual Report' as supporting documents:

- (a) an update of the template 'Key Project Information'
- (b) an update of the list of stakeholders who will receive the 'Annual Report'
- (c) the most recent certification report
- (d) an update of the template 'Project Participants & Secured Titles' (in case of changes)

The project owner shall attest to the accuracy of the information provided by its signature on the '[Annual Report](#)'.

4. Based on the uploaded 'Annual Report', The Gold Standard Secretariat, Gold Standard NGO Supporters and the Technical Advisory Committee can assess the continuous compliance of the project to the 'WBS Requirements'.

Identified or reported Non-Compliances (NCs) are processed according to the procedures outlined in section '[10. Non-Compliance](#)'.

## 9 Technical Procedure and Formatting

1. The project owner shall create an account on The Gold Standard Registry<sup>27</sup>  
[www.goldstandard.org/ouractivities/project-registry](http://www.goldstandard.org/ouractivities/project-registry)
2. With this account, project information can be submitted for the Pre-Feasibility Assessment and any certification.
3. All project information, except confidential information, shall be made publicly available through The Gold Standard Registry.
4. Templates shall be filled out using a Helvetica Neue, size 10.5 font.
5. Red coloured comments in the template shall be deleted before document submission.
6. The project documents and supporting documents shall be submitted in
  - (a) English, OR
  - (b) a language that has been agreed upon by the project owner, The Gold Standard Secretariat and the auditor.
7. Figures above one thousand shall be formatted with a comma (1,000,000), and decimals will be separated by a point (1.35).
8. Pictures, graphs, tables and supporting documents within project documentation shall be clearly marked with a unique ID.

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**27. Not applicable for pilot phase. Please use the Markit registry. Contact The Gold Standard Foundation for further information**

## 10 Non-compliance

1. Project owners shall report any actual or prospective non-compliance on any requirement contained herein within 30 days of discovery.<sup>28</sup>
2. Any reported Non-Compliance (NC) will be investigated by The Gold Standard Secretariat together with the Technical Advisory Committee.

A NC shall have one or more of the following characteristics:

- (a) it continues over a long time,
- (b) it is repeated/systematic,
- (c) it affects a significant area,
- (d) it causes significant damage.

For the purposes of this section, “significant” means of substantial importance such that the project is materially affected.

3. Depending on the extent of the reported NC, the project owner's account on The Gold Standard Registry may be frozen during the time of investigation.
4. When evidence is found confirming the NC, the project may, in The Gold Standard Secretariat's sole discretion, be suspended.
5. When evidence is found confirming the project cannot rectify the NC, the suspended project will be cancelled, and the project will no longer be considered, or be allowed to represent itself as, a Gold Standard certified project.

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**28 Note that the requirements of this chapter are preliminary and during the road-testing period of the 'WBCS Requirements' this chapter will still be subject to revisions.**